

# **GSE CUSTOMER COUNCIL MEETING**

**December 15, 2003**

## **Members Present:**

John Bradford, Chairperson; Capt. Bob Alles, DPS, Jennifer St.John, DNR; Mary Lawyer, IDED; Roger Johnson, Cultural Affairs; Greg Anliker, Elder Affairs, Charlie Smithson, Ethics; Peggy Sullivan, Judicial; Ruth White, Human Rights.

## **Members Not Present:**

John Baldwin, DOC; Marcia Spangler, DPH; Bob Straker, AFSCME.

## **Others Present:**

Mollie Anderson, DAS; Patrick Deluhery, GSE; Debbie O'Leary, GSE; Dale Schroeder, GSE; Tim Ryburn, GSE; Dean Ibsen, GSE; Tera Harrington, GSE; Nancy Williams, GSE; Mark Willemssen, Legislature; Bonita Lane, GSE; Julie Sterk, DAS; Denise Sturm, DAS; Ken Paulsen, GSE; Randy Howard, GSE.

## **Call to Order:**

Chairperson John Bradford called the meeting to order at 1:30 p.m.

## **Opening Comments:**

Patrick Deluhery, GSE, C.O.O., welcomed everyone to the meeting.

## **Approval of Minutes of November 14, 2003:**

Capt. Bob Alles moved to approve the minutes. Greg Anliker seconded the motion. Motion passed.

## **Rates Package:**

Mollie Anderson and Denise Sturm presented.

Handling of Distribution of Information for the rates:

Two Step Information Process:

- Step 1 – To compile all of the rate information from the various Customer Councils into one rate package – the intention is to distribute this information by January 15, 2004.
- Step 2 – for Denise Sturm, DAS CFO to communicate rate information and be available to answer questions from agency final managers about the rate package.

Important information to be included in the package:

- Provide our customers with a complete listing of all of the services and products that the Department of Administrative Services has available to its customers. That will be a comprehensive list of not only utility services but also the marketplace services.
- Provide the customer with a listing of services and how are they categorized – to clearly identify what is going to be a utility and what is going to be a marketplace service.
- A general discussion in the rate package of how the rates were formally set or applied against bills.
- We will then compile the Customer Council Information showing how we are deriving the rates.
- The next part of the rate package will include what -- the formula is for each set of rates and an explanation about the assumptions used in the formula.

- We will then discuss how customers can affect their utilization of those utilities and services as well as how billings will take place and how customer agencies will be funded to pay their bills.
- We will show when we expect to do the prototype billing.
- Probably the biggest question on peoples mind is how customer agencies will be funded to pay bills.
- Our current intent is for the DAS Finance to distribute the funds out to the agencies. We are in the process of identifying to DOM those activities that are Utilities and the appropriation dollars associated with them.
- Not every Utility rate has dollars to be distributed. We will identify that in the distribution process.
- We will also show in this distribution piece, the current appropriation we have to distribute, which is the fiscal year '04 appropriation. You need to remember that you have set rates including fiscal year '05 salary information. That will be clear in the assumptions in the rate package.

The importance of putting the rates out as one agency rather than three separate councils was again discussed. Prototype billings will be processed after the “comment period” is over from our customers. – Anticipated billings to go out in March.

Mollie Anderson advised that it may be best to look at one “Account Executive” per agency that would follow-up once the package is distributed, rather than have each of those enterprises contact each of the agencies separately.

Another issue DAS has in the Legislative session, is the issue of “working capital”. DAS has a \$1.9 million dollar request for working capital. This is the amount of cash that DAS would need in order to operate for two months. If this is not acted favorably, we will have to re-visit whether we can launch this whole effort at this point in time and we won’t know that until well into the Legislative session. We have asked for funding to help with federal over recover, which also has an impact on rates.

#### **Blanket Bond:**

The Blanket Bond protects the State against embezzlement. The cost is approximately \$40,000. – It will be re-negotiated this year. The cost is pro-rated back to departments on a full-time employee basis. Regents also participate. This bond has a \$100,000 deductible.

Roger Johnson moved to continue with the blanket bond fee structure. Mary Lawyer seconded the motion. Motion passed.

#### **Events:**

Debbie O’Leary discussed charging for “after hours and weekend events” in the non-ceremonial space. The rates are the similar to charges for use of the Historical Building.  
(See hand-out )

Events currently scheduled between December 15, 2003 and July 1, 2004 will have no change in fees. Events scheduled December 15, 2003 will be charged as per the attached schedule. Additionally, insurance requirements will be required and will be determined on a case-by-case basis.

Mary Lawyer moved to approve charging for Events as outlined above. Charlie Smithson seconded the motion. Motion approved.

**CCM Rate Update:**

Revised Association Budget for CCM was discussed in detail. (Document attached). This document outlined the difference in rate between \$3.15 per square foot for office space and the \$2.20 per square foot for warehouse space. The rates did go down when we added on Records and Property Center, took on executive branch space from the Capitol, Historical and Miller Building, we added that into the non-ceremonial rates. Last time we looked at this, it was \$3.29 per square foot.

Since this was not an agenda item, this rate will be carried forward to the January meeting for approval by GSE Customer Council.

**By-Laws and Attendance:**

Discussion on the following items:

- Mechanism for replacing a member
  - Agencies select the member and would have to select the new member
- Having someone attend in place of a member
  - GSE bylaws state that you cannot send someone in your place
  - Downside – members attending would have to “educate” the substitute member.
- Possibility of sending a “proxy” vote to the meeting
  - If there is no quorum – proxy wouldn’t qualify

No decisions made at this time.

**2004 GSE Meeting Schedule:**

2004 meeting schedule discussed. Due to upcoming Legislative Session, the meeting dates in January, February, March, April and May are difficult for some members. Members decided to move the dates/time for these meetings to: Fridays at 7:30 a.m. Schedule will be revised and sent out to members.

**Open Discussion:**

None

**Adjournment:**

Meeting adjourned at 3:15 p.m.

Respectfully submitted,

Nancy Williams, GSE Secretary